## BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

Washington, DC 20554

In the Matter of	)
Emergency Broadband Benefit Program	) WC Docket No. 20-445

## VERIZON<sup>1</sup> PETITION FOR LIMITED WAIVER

Pursuant to Section 1.3 of the Commission's rules, 47 C.F.R. § 1.3, Verizon hereby requests expedited grant of a limited waiver of the Emergency Broadband Benefit (EBB)

Program reimbursement rules. Specifically, Verizon requests that the Commission (1) waive, for the first snapshot date that a subscriber is enrolled in EBB, the requirement that the provider claim reimbursement within 15 days of the snapshot;<sup>2</sup> and (2) allow Verizon an additional month to submit the first reimbursement claim for a newly-enrolled subscriber, i.e., until the 15<sup>th</sup> day of the next month following the first snapshot date. As explained below, the requested waiver serves the public interest by facilitating the ability of providers to offer the discount on a broader range of services, and it will not undermine USAC's ability to track disbursements.

Under the *EBB Program Order*, reimbursements are based on a "snapshot report of a provider's enrolled subscribers as of the first of the month." Providers then have until the 15th of each month, or the following business day in the event the 15th falls on a weekend or holiday,

\_\_\_

<sup>&</sup>lt;sup>1</sup> The Verizon companies participating in this filing are the regulated, wholly owned subsidiaries of Verizon Communications Inc.

<sup>&</sup>lt;sup>2</sup> 47 CFR § 54.1608(g).

to submit to USAC their reimbursement claims for the households captured on the snapshot report.<sup>4</sup> Reimbursement claims submitted after that date will not be processed, and providers are prohibited from revising previously submitted claims.<sup>5</sup> Providers are required to certify to the accuracy of reimbursement claims.<sup>6</sup>

While the *EBB Program Order* describes the EBB reimbursement process as "largely track[ing] the process in the Lifeline program," the EBB reimbursement process will in fact be substantially more challenging for providers to navigate than the Lifeline reimbursement process. Lifeline providers can claim the same \$9.25 per month reimbursement amount for every broadband subscriber in the snapshot, but EBB providers may have to determine the reimbursement amount separately for each subscriber. The reimbursement amount will be the same for all subscribers only if the provider elects to offer the EBB discount only on one service or only on services for which the standard rates all exceed the maximum EBB discount of \$50.

Not only will it be more complicated for EBB providers to determine the reimbursement amount, but EBB providers will have much less time to determine the amount and submit the claim. Whereas Lifeline providers have a year from the snapshot date to submit a claim or make upward revisions to a previously-submitted claim,<sup>9</sup> the EBB rules give providers only 15 days from the snapshot date to submit the claim and also prohibit providers from modifying

 $<sup>^3</sup>$  Emergency Broadband Benefit Program, Report and Order, WC Docket No. 20-445, FCC 21-29,  $\P$  98 (2021) ("EBB Program Order").

<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> *Id.*, ¶¶ 99-100.

<sup>&</sup>lt;sup>6</sup> *Id.*, ¶ 100.

<sup>&</sup>lt;sup>7</sup> *Id.*, ¶ 98.

<sup>&</sup>lt;sup>8</sup> 47 CFR § 54.403(a)(1).

<sup>&</sup>lt;sup>9</sup> See https://www.usac.org/lifeline/reimbursement/

previously submitted claims. According to the *EBB Program Order*, the Commission adopted the 15-day claim deadline so that USAC could "track disbursements and ... provide a projection for the depletion of the Fund that is based on the most accurate and up-to-date household and disbursement information."<sup>10</sup>

Verizon requests a waiver of the 15-day deadline for at least the first claim for a newly-enrolled EBB subscriber. Specifically, Verizon requests that the Commission allow Verizon an additional month, until the 15<sup>th</sup> day of the next month after the snapshot on which a subscriber first appears, to submit the first claim for the subscriber. For example, Verizon requests that the Commission permit Verizon to submit the first claim by July 15<sup>th</sup>, rather than by June 15<sup>th</sup>, for a subscriber that enrolls in the EBB Program on May 20<sup>th</sup>.

This request is consistent with the Commission's well-established waiver standard, pursuant to which the Commission will waive its rules when (i) special circumstances warrant a deviation from the general rule, and (ii) such deviation will serve the public interest. Because Verizon has elected to offer the EBB discount on multiple services, it will have to separately determine the EBB reimbursement amount for each subscriber on its snapshot list. The reimbursement amounts will not only vary from service to service, but may also vary among subscribers to the same service. For example, the possible per-subscriber EBB reimbursement amounts for Verizon's 200/200 Mbps Fios service – just one of the services on which Verizon plans to offer the EBB discount – include \$49.99 per month, \$40.74 per month (if the subscriber is also receiving a Lifeline discount), \$39.99 per month (if the customer is receiving an autopay discount), and \$50 per month (if the subscriber is also renting a router from Verizon).

<sup>&</sup>lt;sup>10</sup> EBB Program Order, ¶ 100.

Since the release of the *EBB Program Order*, Verizon has conducted an extensive analysis of the EBB reimbursement requirements and the capabilities of its existing systems. Based on that analysis, we have determined that our existing systems cannot determine the reimbursement amount for a newly-enrolled subscriber in time to meet the 15-day claim deadline after the first snapshot. With our existing systems, we can determine the reimbursement amount for a newly-enrolled subscriber in an automated manner only after we have issued a bill with the EBB discount to the subscriber, which may not occur in time for Verizon to prepare and certify the claim by the 15-day deadline.

However, Verizon has determined that we would be able to submit the first claim for a newly-enrolled subscriber if the Commission extends the deadline by one month, i.e., until the 15<sup>th</sup> day of the next month following the subscriber's first snapshot. Verizon also believes that, once we have made the first claim for a subscriber, we will be able to meet the 15-day deadline for the subscriber's second and subsequent snapshots, although those deadlines will still pose a substantial challenge.

The waiver will not materially affect USAC's ability to track disbursements and project the depletion of the fund, even if the Commission extends the requested waiver to other EBB providers. First, Verizon is seeking a waiver of the 15-day deadline only for subscribers' first snapshot, and is seeking only a one-month extension of the deadline. Second, USAC will still have a count of the number of EBB subscribers enrolled in NLAD, even if some providers have not yet submitted claims for newly-enrolled subscribers. Finally, it is likely that many providers

<sup>&</sup>lt;sup>11</sup> 47 C.F.R. § 1.3; *Northeast Cellular Telephone Co., L.P. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990).

will not take advantage of the waiver because they will want to obtain reimbursement as soon as possible.<sup>12</sup>

The waiver is in the public interest because the added flexibility will encourage providers to offer the EBB discount on a broader range of services. Without the waiver, providers may be compelled to simplify their reimbursement calculations by offering the EBB discount only on one service or only on services for which the standard rates all exceed \$50 per month. The waiver would thus be consistent with the *EBB Program Order*'s goal of encouraging providers to offer the EBB discount on more services.<sup>13</sup>

For the foregoing reasons, Verizon requests expedited grant of the waiver relief requested herein.

Respectfully submitted,

By: /s/ Tamara L. Preiss

William H. Johnson *Of Counsel* 

Tamara L. Preiss 1300 I Street NW Suite 500-East Washington, DC 20005 (202) 515-2540

April 8, 2021

<sup>&</sup>lt;sup>12</sup> EBB Program Order, ¶ 98 ("For those providers seeking to have their reimbursement claim processed quicker, they must review and certify their reimbursement claims sooner, as established by USAC.").

<sup>&</sup>lt;sup>13</sup> *Id.*, ¶¶ 37, 71 ("Approved providers must offer at least one EBB Program-reimbursed service to each of its eligible households within its service area. However, we also encourage participating providers to make EBB Program support available for all its service offerings for eligible households.").